



**DEPARTMENT OF DEVELOPMENT**  
**SUBDIVISION ENGINEERING**  
**FLOODPLAIN MANAGEMENT**

City of Baton Rouge  
Parish of East Baton Rouge

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## **Costs That Must be Included in SI/SD Determinations**

Costs that must be factored into the itemized estimate for improvement and repair, are those that are directly associated with the building. The following list characterizes the types of costs that must be included for item:

- Materials
  - Including the estimated value of donated or discounted materials
- Labor
  - Including the estimated value of owner or volunteer labor
- Site preparation related to the improvement or repair (e.g., foundation excavation or filling in basements)
- Labor and other costs associated with demolishing, moving, or altering building components to accommodate improvements, additions, and making repairs
- Costs associated with complying with any other regulations or code requirement that is triggered by the work, including costs to comply with the requirements of the Americans with Disabilities Act (ADA)
- Costs associated with elevating a structure when the proposed elevation is lower than the BFE

The following is a list of costs that the itemized estimate must include. It is not intended to be exhaustive, but characterizes the most frequent types of costs encountered that must be included:

- Demolition and Site Preparation
- Debris Removal and Disposal
- Profit and Overhead
- Sales Tax on Materials
- Construction Management and Supervision
- Structural elements and exterior finishes, including:
  - Foundation work (including pilings, footings, slabs, tie beams, trusses, etc.)
  - Framing (including joists, beams, subflooring, ceilings, bearing and non-bearing walls)
  - Exterior finish work (e.g., brick, stucco, siding, painting, and trim)
  - Windows and exterior doors, including hardware
  - Roofing, including gutters and downspouts
  - Attached decks and porches
- Interior finish elements, including:
  - Flooring (e.g., hardwood, ceramic, vinyl, linoleum, stone, and wall-to-wall carpet over subflooring)
  - Wall finishes (including drywall, paint, stucco, plaster, paneling, marble, etc.)
  - Built-in cabinets (including kitchen, utility, entertainment, storage, bathroom, built-ins)
  - Interior doors
  - Interior finish carpentry and hardware
  - Insulation
- Utility and service equipment, including:
  - Heating, ventilation, and air conditioning (HVAC) equipment
  - Plumbing fixtures and piping
  - Electrical (including wiring, outlets, switches, panels, etc.)
  - Light fixtures and ceiling fans
  - Security systems
  - Built-in appliances (e.g., oven/range, dishwasher, hot water heater, etc.)
  - Central vacuum systems
  - Water filtration, conditioning, and recirculation systems

## **Costs That May be Excluded from SI/SD Determinations**

Items that can be excluded are those that are not directly associated with the building. The following list characterizes the types of costs that may be excluded:

- Clean-up and trash removal
- Costs to temporarily stabilize a building so that it is safe to enter to evaluate and identify required repairs
- Costs to obtain or prepare plans and specifications
- Land survey costs
- Permit fees and inspection fees
- Carpeting and recarpeting installed over finished flooring such as wood or tiling
- Outside improvements, including landscaping, irrigation, sidewalks, driveways, fences, yard lights, swimming pools, pool enclosures, and detached accessory structures (e.g., garages, sheds, and gazebos)
- Costs required for the minimum necessary work to correct existing violations of health, safety, and sanitary codes
- Plug-in appliances such as washing machines, dryers, and stoves

## **Acceptable Sources of Cost Information**

The costs of improvements and the costs to repair are necessary to make the SI/SD determination. The following are acceptable methods to determine the costs:

- Itemized costs of materials and labor, or estimates of materials and labor that are prepared by licensed contractors or professional construction cost estimators.
- Building valuation tables published by building code organizations and cost-estimating manuals and tools available from professional building cost-estimating services. These sources can be used as long as some limitations are recognized, notably that there are local variations in costs and the sources do not list all types and qualities of structures. These sources should not be used for structures that are architecturally unique, exceptionally large, or significantly different from the classes of structures that are listed.

## **Determining Market Value of the Structure**

Market value must always be based on the condition of the structure before the improvement is undertaken or before the damage occurred. Only the market value of the structure is pertinent. The value of the land and site improvements (landscaping, driveway, detached accessory structures, etc.) and the value of the use and occupancy (business income) are not included. Any value associated with the location of the property should be attributed to the land, not the building.

## **Acceptable Methods to Estimate Market Value**

- Professional appraisal prepared by a licensed and qualified appraiser.
- The adjusted assessed value of the improvements, developed for property tax assessment purposes.
- Estimates of a structure's actual cash value (the cost to replace a building on the same parcel with a new building of like-kind and quality), minus depreciation due to age, use and neglect.